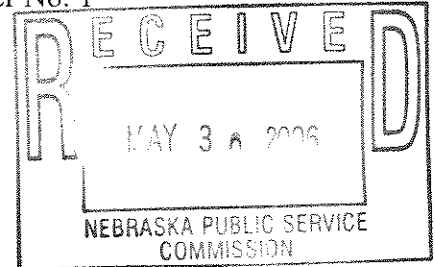


BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service Commission seeking to determine Nebraska Eligible Telecommunications Carrier status for the purposes of receiving state universal service support for providing Lifeline/Link-up services and Telehealth services to rural hospitals.)	Application No. NUSF-35/PI-69
)	
)	
)	Progression Order No. 1
)	
)	



**Comments of
HunTel Communications**

I. Introduction

HunTel Communications (“HunTel”) submits comments in the above-referenced docket. HunTel appreciates the opportunity to respond to the Nebraska Public Service Commission’s (“Commission”) inquiry in this proceeding, which was opened by Progression Order No. 1 (the “Order”). The Commission opened this docket in order to determine whether the carriers that currently have federal eligible telecommunications carrier (“ETC”) status, but have not specifically applied for or been designated as Nebraska eligible telecommunications carriers (“NETCs”) should: 1) be designated as NETCs for the purpose of receiving Nebraska Telephone Assistance Program (“NTAP”) support and 2) whether all federal ETCs should automatically be designated as an NETC solely for the purpose of receiving NTAP support.¹

II. LECs That Have Been Designated As Federal ETCs Should Automatically Be Designated As NETCs For the Purpose Of Receiving NTAP Support In Order To Maintain Competitive Neutrality.

Currently, facilities-based competitive local exchange carriers (“CLECs”) that only provide service to “in-town” support areas would not receive high cost support if they were designated as NETCs.² Therefore, such CLECs have no incentive to apply for NETC status for

¹ See Order at ¶ 5.

² See *The Commission, on its Own Motion, Seeking to Establish a Long-Term Universal Service Funding Mechanism*, Application No. NUSF-26, Findings and Conclusions (entered Nov. 3, 2004) at ¶ 15.

the purpose of receiving high cost support. However, without NETC status, it is possible that the Commission may deny a carrier NTAP support. This situation could put some facilities-based CLECs at a competitive disadvantage relative to ILECs that receive NTAP support. That is, there would be an economic barrier for customers in the NTAP program to switch to a CLEC and pay a rate that is not discounted by the amount of NTAP support. The only alternative for a CLEC to compete in this situation is to mirror the ILEC's NTAP-supported rate and experience a financial burden that the ILEC does not endure. The NTAP program should not bias the market for customers who are in need of Lifeline/Link-up support.

III. LECs That Have Been Designated As Federal ETCs Should Automatically Be Designated As NETCs For the Purpose Of Receiving NTAP Support In Order To Maintain Equity.

The Commission indicated in the Order that competitive local exchange carriers Cox Nebraska Telecom ("Cox") and Aliant Communications (now "Alltel") had been granted federal ETC status but have not specifically applied to be designated as NETCs.³ However, these carriers have been receiving NUSF support solely for the purpose of offering NTAP. They do not receive any NUSF high cost support⁴.

HunTel asserts that the Commission should view the receipt of NTAP by Alltel and Cox as an expression of a Commission policy related to carriers that have been granted federal ETC status and codify that policy so it would automatically apply to all similarly situated carriers. Not to do so would represent discrimination related to a specific carrier.

³ See Order at ¶ 3

⁴ Ibid.

IV. Conclusion

HunTel supports the Commission's proposal to automatically designate NETC status to LECs that have received federal ETC status for the purpose of receiving NTAP support for qualifying customers. Given that Cox and Alltel are currently receiving NTAP with only federal ETC designation, HunTel urges the Commission to act on this item without further investigation.

Dated: May 30, 2006.

Respectfully submitted,

HunTel Communications

By: 

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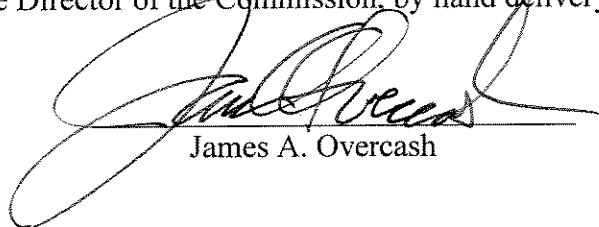
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CERTIFICATE OF SERVICE

I hereby certify that on the 30th day of May, 2006, the original and five (5) paper copies, together with an electronic copy, of the foregoing **Comments of HunTel Communications** were served upon Andy S. Pollock, Executive Director of the Commission, by hand delivery.


James A. Overcash